

P 170939Z FEB 09  
FM AMCONSUL HONG KONG  
TO SECSTATE WASHDC PRIORITY 6899  
INFO WHITE HOUSE WASHDC  
USDOC WASHDC  
AMEMBASSY BEIJING  
AMCONSUL SHANGHAI  
AMCONSUL GUANGZHOU  
AIT TAIPEI 0198  
CDR USPACOM HONOLULU HI

UNCLAS HONG KONG 000290

DEPT FOR INR/R/MR, INR/IC/CD, I/FW  
DEPT FOR EAP/PD, EAP/CM, EAP/P  
DEPT FOR VOA/BRF, TV-WPA  
WHITE HOUSE FOR NSC  
PRC POSTS FOR PA  
AIT  
USPACOM FOR FOR CIS PD ADVISER

E.O. 12958: N/A

TAGS: [OPRC](#) [KMDR](#)

SUBJECT: MEDIA REACTION: SECRETARY CLINTON'S TRIP TO ASIA; SINO-U.S.  
RELATIONS; U.S. ECONOMY; AFGHANISTAN; IRAQ

TOPICS:

- [1. Secretary Clinton's Trip to Asia](#)
- [2. Sino-U.S. relations](#)
- [3. U.S. economy](#)
- [4. Afghanistan](#)
- [5. Iraq](#)

HEADLINES AND EXCERPTS:

[1. Secretary Clinton's Trip to Asia](#)

"Mrs. Clinton's chance to turn words into action"

The independent English-language South China Morning Post said in an editorial (2/17): "U.S. President Barack Obama is shaping his administration's foreign policy with great care. His deputy, Joe Biden, laid the groundwork at a security conference in Germany 10 days ago with a keynote speech; his Middle East and South Asia envoys have started their work; and his foremost diplomat, Hillary Rodham Clinton, arrived in Japan yesterday on a tour that will also take in China, South Korea and Indonesia. He starts his own diplomacy on Thursday by going to Canada, the traditional first stop for a new U.S. leader. Such attentiveness bodes well for Washington's relations with the world; this approach must remain at the core of its diplomatic efforts.... It is clear from so much diplomatic activity that the Obama administration is going out of its way to avoid causing offence. This is good, given the manner in which George W. Bush split the world with his go-it-alone approach to foreign relations. The rifts with other governments and the Muslim world have to be patched up. Mr Obama's background, growing up in Indonesia and multicultural Hawaii, gives him an understanding of the world his predecessor lacked. The skepticism about what he can achieve has to be allayed. His envoys have so far made the right noises. Mrs. Clinton has the opportunity to turn those words into action."

"Hillary will try to find the new international order"

The center-left Chinese-language Sing Tao Daily News said in an editorial (2/17): "U.S. Secretary of State Hillary Clinton arrived in Japan last night and began her Asia trip. The most important stop will be Secretary Clinton's last stop - China. Hillary choosing Japan as her first stop implies that she wants to appease Japan and to strike a diplomatic balance. The financial tsunami has led to the shrinking of wealth in developed countries. In order to seek buyers for their bonds and products, they all hope that China, which has huge reserves and market, can 'open their reserves and come to the rescue.' Earlier, U.S. Treasury Secretary Geithner quoted Obama's election platform and said China has manipulated the exchange rate. However, China seriously refuted the case. Afterward, the U.S. became more moderate in their tone. In the just

finished G8 meeting, the U.S. did not put high profile pressure on the revaluation of the yuan. On the contrary, they praised China for using \$4 trillion yuan to boost the economy, hoping to please China in order to alleviate their economic difficulties.... The Obama administration has to make up for the financial and diplomatic mistakes made during Bush's tenure. In the new international financial and diplomatic order, China will play a more important role than before. Both the U.S. and China are still trying to determine what China's role should be and how important it will be."

"Hillary's Asia trip is a 'listening trip'"

The pro-PRC Chinese-language Macau Daily News remarked in an editorial (2/17): "...U.S. Deputy Secretary of State James Steinberger said in Washington on February 12 that Hillary choosing to visit Asia first showed that the Obama administration attached much importance to Asia. He said Hillary's Asia trip will be a trip of listening.... It is generally believed that the visit to Tokyo, Jakarta and Seoul will be easy for Hillary. The trip to Japan is to maintain the alliance relationships. The trip to South Korea is to maintain relations and to focus on the North Korean nuclear issue. The trip to Indonesia will signal that the U.S. will engage in Southeast Asian politics again. And the last stop is Beijing. Since China cannot be condemned unreasonably again, Hillary needs to establish constructive relations with China.... Many experts and scholars believe that Hillary's China visit will set a tone for the Obama administration's China policy and to lay down a good foundation for bilateral relationship. They don't need to make major progress in working out details. Walter Lohman, the Director of The Heritage Foundation's Asian Studies Center, and Richard Bush, the Director of the Center for Northeast Asian Policy Studies at Brookings Institute, suggest Hillary serving as a good listener during her Asia trip to listen to the voice of Asian countries, especially China. She should use action to carry out her 'smart power' and 'vanguard of foreign policy'"

## 12. Sino-U.S. relations

"Protectionism tests Sino-U.S. relations"

The pro-PRC Chinese-language Ta Kung Pao remarked in an editorial (2/16): "...In recent years, the U.S. has passed many measures (for examples, anti-dumping and anti-subsidy measures) to restrict the imports of Chinese products. 'Buy American' may become a new trade barrier mechanism. Apart from the traditional protectionist measures, the financial crisis has triggered other new protectionist measures.... The first is 'industry interference' protectionism. Following the lead of the U.S., countries will support local auto industries by offering loans. This is actually a subsidy which has aroused debates between the EU and the U.S. and among EU countries.... The second is currency protectionism. The International community put pressure on China to push for the revaluation of the yuan, so that the U.S. dollar will depreciate and enhance U.S. competitiveness.... The third is investment protectionism. A few years ago, U.S. politicians used national security as a political reason to stop CNOOC (China National Offshore Oil Corp) from acquiring a U.S. oil company. The above protectionist measures are testing Sino-U.S. trade relations, which may even affect relations in other areas. China must pay attention to the development of the state of affairs and must work on safeguarding its national interests."

## 13. U.S. economy

"The U.S. must be careful not to follow Japan's path and decline for twenty years"

The independent Chinese-language Hong Kong Economic Times commented in an editorial (2/17): "Japan's economy has plummeted rapidly. Its economy in the fourth quarter last year recorded a negative growth of 12.7 percent. Its era of economic decline seems to have entered the 20th year. Since the U.S. economic recession seems to follow Japan's, whose economy has a chronic disease. If the U.S. does not take the right medicine for its problem, the U.S. may also decline for several years which will weigh down the whole world.... The U.S. is more willing to face the reality than Japan was. Thus, it will not be like Japan, whose economy declined for twenty years."

However, the U.S. economy is seriously battered. If it does not prescribe a potent medicine, its economy will not be able to recover within three to five years. As a global economic engine for the world, if the U.S. economy declines for five years, the global economy will also be dragged into long-term suffering too."

"The White House should be quick in dealing with the financial crisis, it cannot loss confidence"

The independent Chinese-language Ming Pao Daily News had an editorial (2/15): "...Obama should understand the importance of 'confidence'. Last September, on the eve of the presidential election, the polls showed that Obama was behind McCain. In mid-September, following the financial tsunami, American voters casted their votes for Obama who called for change. Obama, who has no administrative experience and is not a veteran Senator, won the election. In brief, it is because of 'confidence.' Now, Obama's Treasury Secretary did not give people enough confidence. If people continue to loss their confidence, Obama's work will get half the result with twice the effort."

#### 14. Afghanistan

"U.S. should adopt a more pragmatic strategy toward Afghanistan"

The pro-PRC Chinese-language Macau Daily News remarked in an editorial (2/15): "Taliban insurgents in Afghanistan attacked a government building in Kabul on February 11, killing 26 and injuring 55.... The Taliban's attack has strengthened and quickened U.S. resolve to increase troops in Afghanistan. On the other hand, it also urges the U.S. to adopt a more pragmatic strategy toward Afghanistan.... Taliban's attack has posed a new challenge to the U.S. The U.S. will become more pragmatic in its future Afghanistan strategy. It will differentiate among opponents. The U.S. will resolutely combat the extreme and obstinate forces and will try to draw moderate groups closer."

#### 15. Iraq

"Small mercies"

Commentator and broadcaster Michael Chugani wrote in the 'Insight' page in the independent English-language South China Morning Post (2/17): "What price democracy? In the case of Iraq, it's about 4,250 dead American troops and still counting. Add another 320 or so if you include dead soldiers from the other nations that joined the so-called 'coalition of the willing' to invade and democratise Iraq. As for dead Iraqis, both civilians and soldiers, don't bother counting. No one knows for sure. The Bush administration didn't think it necessary to keep tabs. But the Iraq Body Count website puts civilian deaths so far at about 100,000.... When Mr. Bush invaded Iraq, he expected a quick, cheap war that would produce the Middle East's first true democracy. It's been neither quick nor cheap and, six years on, there's still no real democracy even though a very high price has already been paid, including a dramatic troop surge to prevent civil war. Instead, Mr. Bush's war has made many wonder if critics have a point when they say democracy simply cannot work in some societies. How do you even start to democratise a region ruled by dictatorial kings and tribal chiefs, where religion virtually controls daily life, where judicial punishment includes hands being chopped off and death by stoning, and where women aren't allowed to drive. Would it be more realistic to hope for some semblance of democracy rather than the full-blown western-style version?"

DONOVAN